

ND RISK MANAGEMENT FUND

State Investment Board Balance Sheet As of 6/30/2005

	As of <u>6-30-05</u>	As of <u>6-30-04</u>
ASSETS:		
INVESTMENTS (AT MARKET)		
DOMESTIC EQUITIES	\$ 716,254	\$ 1,065,271
DOMESTIC FIXED INCOME	1,469,458	1,707,416
INVESTED CASH (NOTE 1)	<u>203,813</u>	<u>151,110</u>
TOTAL INVESTMENTS	2,389,525	2,923,797
RECEIVABLES		
DIVIDEND/INTEREST RECEIVABLE	50,088	46,414
OTHER ASSETS		
INVESTED SECURITIES LENDING COLLATERAL (NOTE 2)	558,561	639,808
DUE FROM OTHER AGENCIES (NOTE 3)	<u>88</u>	<u>76</u>
TOTAL ASSETS	<u>\$ 2,998,262</u>	<u>\$ 3,610,095</u>
LIABILITIES:		
ACCOUNTS PAYABLE	1,425	1,667
SECURITIES LENDING COLLATERAL (NOTE 2)	558,561	639,808
DUE TO OTHER AGENCIES (NOTE 4)	<u>0</u>	<u>0</u>
TOTAL LIABILITIES	559,986	641,475
NET ASSETS AVAILABLE:		
NET ASSETS AVAILABLE BEGIN OF YEAR	2,968,620	2,538,517
CASH IN DURING YEAR (NOTE 5)	0	1,000,000
CASH OUT DURING YEAR (NOTE 6)	750,000	700,000
NET INCREASE (DECREASE)	<u>219,656</u>	<u>130,103</u>
NET ASSETS AVAILABLE END OF PERIOD	<u>2,438,276</u>	<u>2,968,620</u>
TOTAL LIABILITIES & NET ASSETS AVAILABLE	<u>\$ 2,998,262</u>	<u>\$ 3,610,095</u>

ND RISK MANAGEMENT FUND

State Investment Board Profit and Loss Statement For the Month Ended 6/30/2005

	Month Ended <u>6-30-05</u>	<u>Year-to-Date</u>
INVESTMENT INCOME		
INTEREST/DIVIDEND INCOME	\$ 6,743	\$ 79,881
SECURITIES LENDING INCOME	<u>1,448</u>	<u>11,825</u>
	8,191	91,706
 GAIN ON SALE OF INVESTMENTS	 40,358	 265,785
LOSS ON SALE OF INVESTMENTS	<u>26,877</u>	<u>208,019</u>
 NET GAINS (LOSSES) INVESTMENTS	 13,481	 57,766
 INVESTMENT EXPENSES	 (145)	 4,973
SECURITIES LENDING EXPENSES	1,364	10,825
SIB ADMIN EXPENSES	<u>217</u>	<u>988</u>
 NET INVESTMENT INCOME	 20,236	 132,686
 NET APPREC (DEPREC) MARKET VALUE	 94,039	 86,880
MISCELLANEOUS INCOME/(EXPENSE)	<u>14</u>	<u>90</u>
 TOTAL INVESTMENT INCOME	 <u>114,289</u>	 <u>219,656</u>
 NET INCREASE (DECREASE)	 <u>\$ 114,289</u>	 <u>\$ 219,656</u>

ND RISK MANAGEMENT FUND
Notes To Financial Statements
June 30, 2005

The following notes to financial statements are intended to provide general descriptions of line items in the financial statements.

NOTE 1 **INVESTED CASH**

Cash invested in a money market demand account at the Bank of North Dakota.

NOTE 2 **SECURITIES LENDING COLLATERAL**

Securities are loaned versus collateral that may include cash, U.S. government securities and irrevocable letters of credit. U.S. securities are loaned versus collateral valued at 102% of the market value of the securities plus any interest. Non-U.S. securities are loaned versus collateral valued at 105% of the market value of the securities plus any accrued interest. Non-cash collateral cannot be pledged or sold unless the borrower defaults. Cash open collateral is invested in a short term investment pool.

NOTE 3 **DUE FROM OTHER AGENCIES**

Amounts paid in anticipation of the allocation of administrative expenses of RIO.

NOTE 4 **DUE TO OTHER AGENCIES**

Amounts owed to RIO for administrative and direct costs charged.

NOTE 5 **CASH IN DURING YEAR**

Cash transferred into investment accounts at The Northern Trust during the current fiscal year.

NOTE 6 **CASH OUT DURING YEAR**

Cash transferred out of investment accounts at The Northern Trust during the current fiscal year.